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STATE FOR EUR/SCE BELGRADE, PRISTINA PLS PASS TO EUR A/S FRIED

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8-9 VISIT

Classified By: P/E CHIEF SHUBLER, REASONS 1.4 (B) AND (D)

11. (U) This message supplements, and is complementary to, the briefing materials already provided to EUR/SCE for your visit to Skopje.

NATO MESSAGE SINKING IN, DIALOGUE MOVES AHEAD

 $\P 2$ . (C) With your visit an action-forcing event, GOM officials this week are taking some of the steps we have been telling them they must accomplish quickly to make Macedonia a real contender for NATO membership in 2008. Breaking a months-long deadlock, the GOM finally has offered a substantive meeting between PM Gruevski and eAlbanian opposition DUI leader Ali Ahmeti to discuss how to move ahead on items of priority importance to both sides. DUI Vice President Arifi will meet with us and the government's go-between, MOD Lazar Elenovski, this afternoon (March 5) to hammer out an agenda for the talks, which could take place on March 7 or 9. DUI is considering ending its parliamentary boycott if the talks proceed in a satisfactory manner. have offered an IC observer presence (U.S. and EUSR) at the discussions, preferably at the working level. Your message to both sides should be that it is essential to get the dialogue going and then to sustain it to ensure substantial progress in advancing, inter alia, Framework Agreement (FWA) implementation.

QUICK ENTRY INTO NATO? FIRST MEET THE CRITERIA

¶3. (C) For some of your interlocutors, the "tough love" message you deliver on NATO membership could appear at odds with March 2 local press reports of U/S Burns's recent Atlantic Council remarks on "bringing Croatia and Albania and Macedonia into NATO in 2008 or 2009." Always willing to report selectively, the local press have portrayed those remarks as having suggested the "U.S. backs Macedonia's quick entry into NATO." It will be useful to reiterate our long-standing position that we support the Alliance issuing membership invitations at the 2008 summit to aspirants, but only if they meet membership criteria.

- $\underline{\P}4$ . (SBU) The previous SDSM-led government made good progress implementing the FWA, passing FWA-required legislation, starting phase I of decentralization in July 2005, and moving ahead with hiring of eAlbanians and other minorities to meet equitable representation goals. The current government pledged to continue FWA implementation, but some recent developments call into question its commitment to doing so. The GOM is now reconsidering whether to begin phase II of decentralization (transfer of fiscal responsibilities) in July 2007, as originally scheduled, arguing instead that a January 2008 start date makes more sense in terms of Macedonia's fiscal year (which is on a calendar year basis). We believe the municipalities that are ready to begin phase II should do so in July 2007, to avoid slippage in implementation, and that those that are not yet ready could do so in January 2008. As a fallback, there should be a clear planning effort leading to full readiness to implement phase II by the end of 2007.
- 15. (C) The government has boasted that it has tripled the budget for equitable representation for the new fiscal year, and has adopted a new Strategy for Equitable Representation that it claims is an improvement over the old one. A German expert who helped craft the Strategy says otherwise -- he argues that the government gutted the Strategy when it was passed this year, eliminating a provision that would have sanctioned government agencies for failing to meet hiring targets, and allowing bilingual employees to be counted toward ethnic equitable representation goals. In addition, DPA leaders have openly admitted to us that the tripling of the budget was achieved, in party, by transferring leftover money from 2006. We also are concerned that the new budget allows for hiring of additional public servants, rather than filling slots as they open in the existing government

structure, a temptation for hiring political cronies.

## EARLY ELECTIONS THIS YEAR COULD SNUFF OUT NATO PROSPECTS

16. (C) In recent weeks, the government, especially eAlbanian coalition partner DPA, has floated the idea of early elections this year to capitalize on the government's relatively strong standing in opinion polls and disarray in the opposition camp. We have made it clear that early elections likely would be marred by heated competition between DUI and DPA that could lead to increased tension, which would portray Macedonia's democracy in a negative light. In addition, early elections would result in several months of delays in press toward meeting the country's remaining NATO candidacy obligations. Therefore, we believe early elections should not be considered until after the 2008 NATO summit if the government truly wants to be a competitive NATO aspirant before then.

### EAPC A CHANCE TO SHOWCASE MACEDONIA'S LOGISTICS MUSCLE

17. (SBU) Macedonia will host the EAPC Security Forum June 28-29 this year in Ohrid. Government planning efforts have been grinding along, but there are lingering concerns among IC members, including us, that lengthy tender processes for equipment and administrative support could put the Macedonians behind the curve. Your GOM interlocutors should hear that the EAPC event is a make or break chance to showcase Macedonia's administrative and logistics capacities.

## KOSOVO -- CONTINUED, LOW-KEY SUPPORT

18. (C) The GOM has given constructive, low-key support to the Kosovo status process and maintains positive ties with Pristina. It is particularly pleased with the Ahtisaari proposal's language on demarcation of the Macedonia-Kosovo border delineated in a 2001 Skopje-Belgrade agreement. The government's main concern is how best to time recognition of an independent Kosovo. The government prefers not to be in the vanguard of countries recognizing Kosovo, fearing a strong Serbian backlash, but also is wary of offending

Pristina by bringing up the rear. It has abandoned its earlier plan to coordinate with Montenegro on the timing of formal recognition.

## ICTY RETURN OF CASES -- DELAY, DELAY, DELAY

- ¶9. (C) The expected return to Macedonian jurisdiction this year of four unindicted ICTY cases, all involving allegations of war crimes committed by eAlbanians in the 2001 conflict, is likely to cause significant, potentially destabilizing, political fallout. As a result, we have urged the GOM to ask for delayed return of the cases, and to have the cases come back sequentially from the "easiest" to the "toughest." The government has made the request, but ICTY Chief Prosecutor del Ponte has said she wants the cases to be returned by the time she retires, in late summer.
- 110. (C) We have worked with S/WCI to press for a longer delay, until December, to allow proper ICTY-led training of judges, prosecutors and defense attorneys to take place, and to allow time for the government to pass legislation required for tackling the cases. The Prime Minister supports that position, but his Minister of Justice recently suggested to the media that the cases could return as early as the beginning of summer. Your message should be for the GOM to continue to press clearly and consistently, with one voice, for delayed return, until the end of the year, with the cases coming back sequentially.

## NAME GAME -- AVOID PROVOCATIONS

111. (C) You will be landing at "Alexander the Great Airport," the recent renaming of which strained relations between Athens and Skopje. The GOM has since maintained a low profile on the issue. The government supports continued discussions on the name in the context of the UN talks in New

York, but is standing fast on its "dual name" proposal to Athens -- one mutually agreed-upon name for use in Macedonia-Greece relations, and the constitutional name for use in all other bilateral and multilateral fora. Your message on the name issue should be for the GOM to continue to support the UN process, while avoiding further provocations toward Athens in the meantime.

# HUMAN RIGHTS -- GENERAL IMPROVEMENTS

112. We expect State's 2006 human rights reports to be released March 6, with the local media carrying summaries of Macedonia's report on March 7 and 8. Macedonia's report will note general improvements in the rights situation in 2006, including no reported instances of unlawful killings by security forces. The report notes continued corruption and political pressure on the judicial system, while adding that some recently passed laws should help to reduce corruption and judicial inefficiency. It also describes police abuse, discrimination toward minorities, and religious freedom restrictions as persistent problems.

#### WANTING TO VISIT -- COME BEARING DELIVERABLES

 $\P13$ . FM Milososki may mention to you his plan to visit Washington in April or May, and his hope to meet with the Secretary at that time. The GOM also wants to explore the

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signing during that visit, or during a late summer visit by PM Gruevski, of a double taxation avoidance agreement, on which Treasury has the lead. We have told MFA contacts that a visit should be built around delivery of a package of Macedonian accomplishments on the NATO front, including solid progress on combating TIP and corruption, passage of a liberal religious freedom law, and -- for PM Gruevski's visit -- a successful EAPC summit. Regarding the double taxation issue, we are studying the Macedonian draft proposal and have advised the MFA that action on such agreements would require strong lobbying from US companies doing business in Macedonia, which has not yet been the case.